GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:515
ANSWERED ON:23.02.2001
DEVELOPMENT ASSISTANCE TO INDIA BY U.K.
DR. KIRIT SOMAIYA;SHIVAJI MANE

Will the Minister of FINANCE be pleased to state:

(a) whether UK has decided to triple its development assistance to India;

(b) if so, the details thereof,

(c) the total funds likely to be made available to India during the next three years;

(d) whether UK Secretary of State for International Development has released White Paper on Globalization of Economies while on a visit to India;

(e) if so, whether India has gone through the White paper; and

(f) the main points of the benefit to India brought out in that White Paper?

Answer

Minister of State in the Ministry of Finance (Shri Balasaheb Vikhe Patil)

(a), (b) & (c): After the recent visit of Ms. Clare Short, Secretary of State for International Development, United Kingdomshe has sent a letter to Finance Minister indicating UK`s plan atleast to triple their direct assistance to India - from present around Rs. 700 crores to more than Rs. 2000 crores a year, in three years time. However, the UK Government has not yet conveyed their approval thereto.

(d): The British Government has released a New White Paper in December, 1999 on International Development entitled `Eliminating World Poverty: Making Globalization Work for the Poor`.This paper was launched in India during the visit of UK Secretary of State for International Development on 16.1.2001.

(e) : Yes, Sir.

(f) : It has been indicated in the White Paper that in India, the UK Government is developing effective partnership with World Bank and Asian Development Bank at State level. They are working alongside World Bank with the Governments of Andhra Pradesh and Orissa to improve economic performance and deliver a greater level of resources in support of pro-poor policies in these states. If good progress is made on policy reform, the UK will consider providing financial aid through the state budget alongside World Bank loans. In Madhya Pradesh, the UK is working in a similar way with the Asian Development Bank.